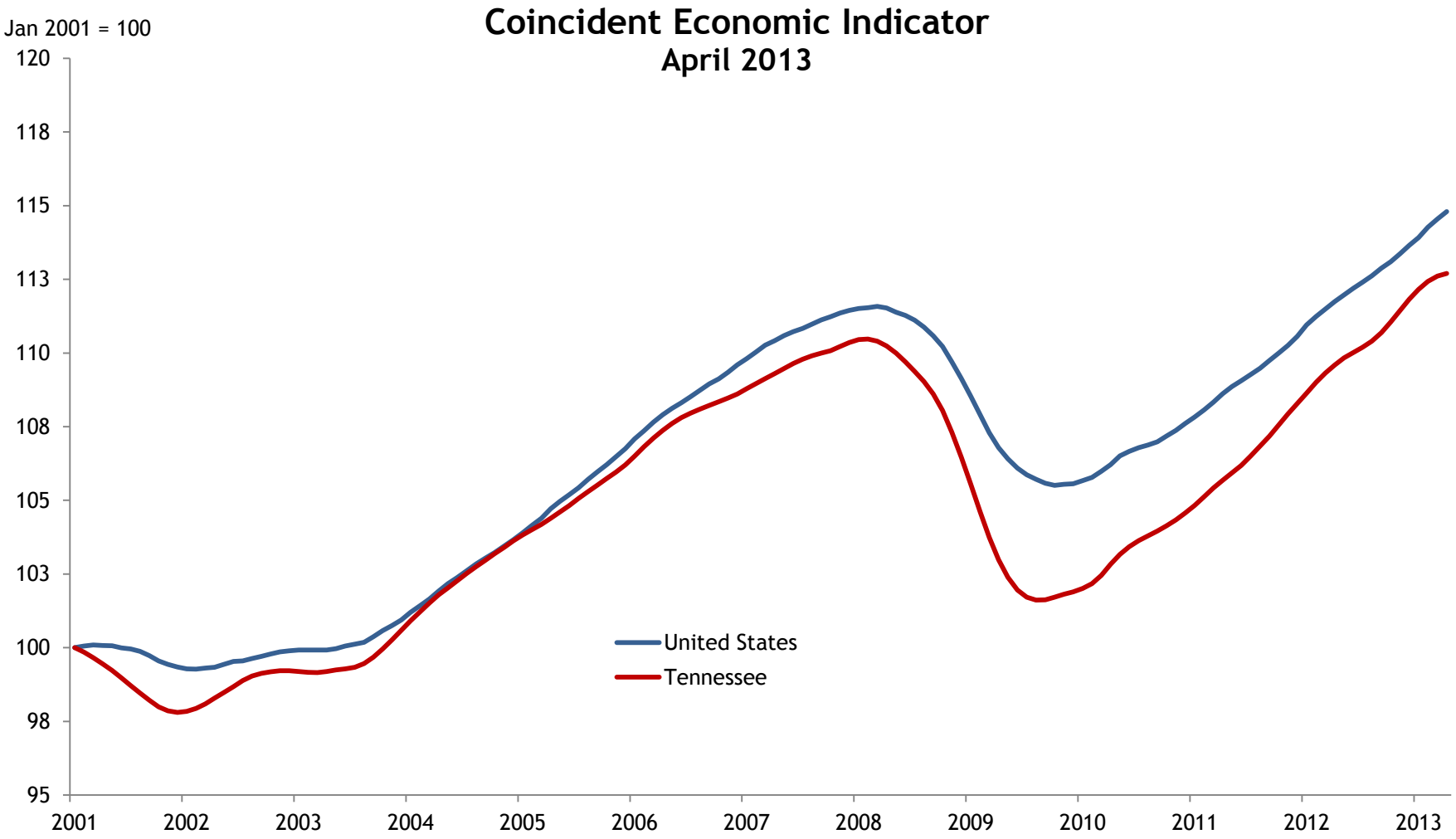
Data Digest: Tennessee

June 2013

FEDERAL RESERVE BANK of ATLANTA

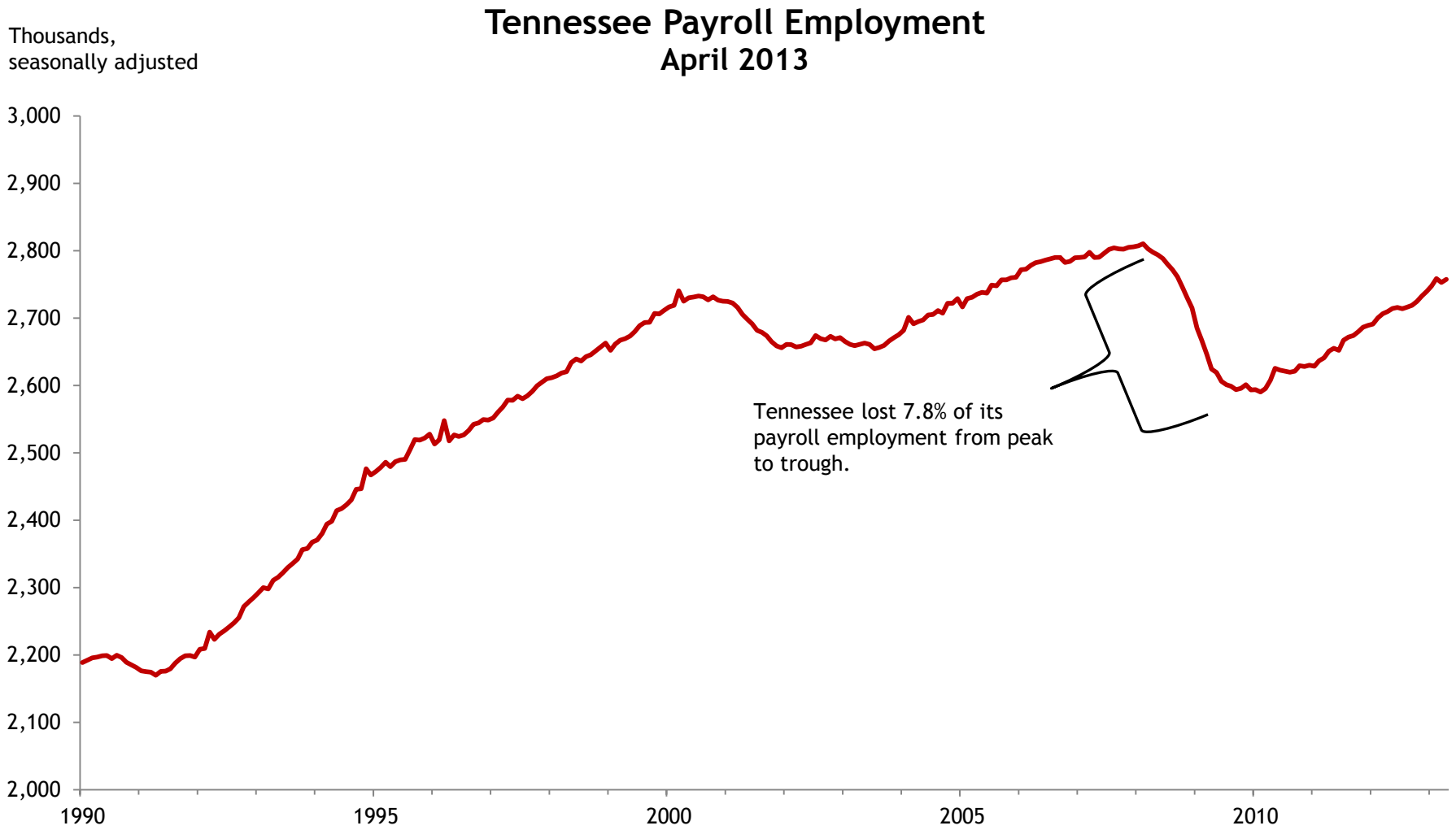
Tennessee's economic performance largely mirrors that of the United States.

About the Coincident Economic Indicator



Source: Federal Reserve Bank of Philadelphia

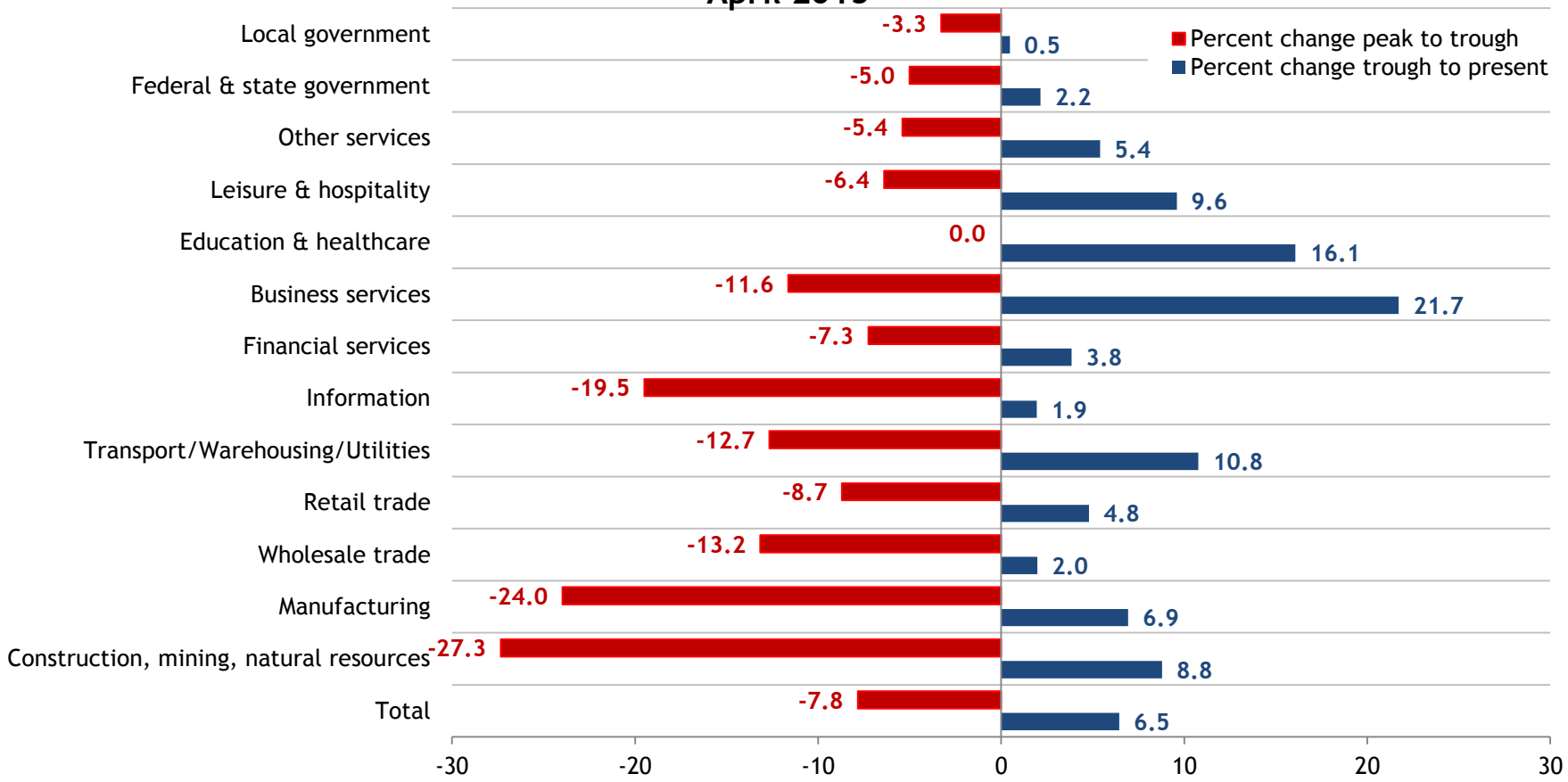
For about three years, total employment in Tennessee had been on an upward trend. Payroll growth has been relatively flat for the last two months.



Source: U.S. Bureau of Labor Statistics, Haver Analytics

Most industries lost some jobs during the downturn; manufacturing and construction, mining, and natural resources saw significant declines. Led by business services, all major industries have added jobs during the recovery.

Employment Loss and Gain by Industry: Tennessee
April 2013

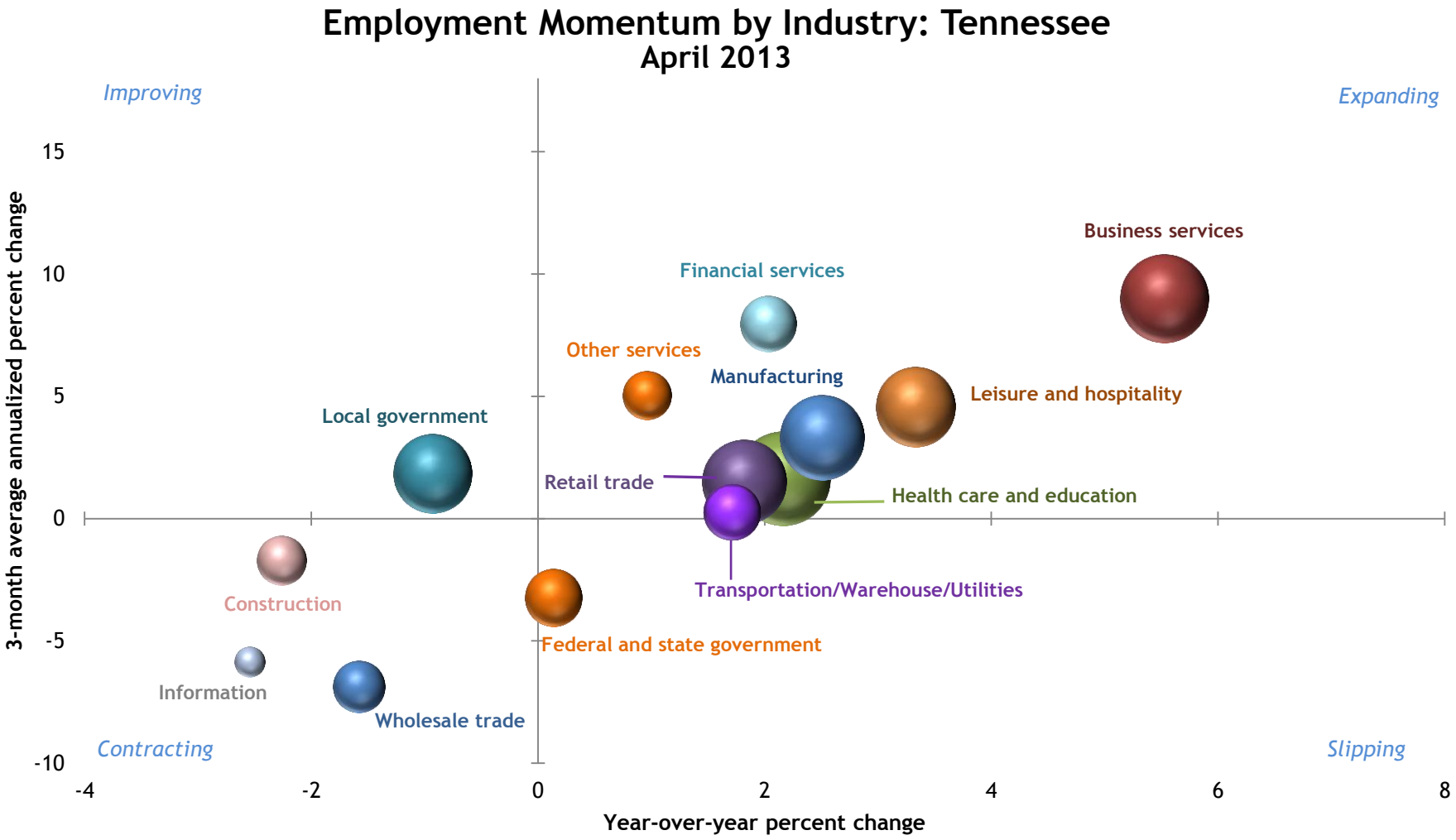


Note: A reading of 0.0 in the "trough to present" measure indicates that employment continues to decline in these industries. Likewise, a reading of 0.0 in the "peak to trough" measure indicates that employment continues to increase in these industries; in this instance "trough to present" is the percent change from January 2007 to present.

Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

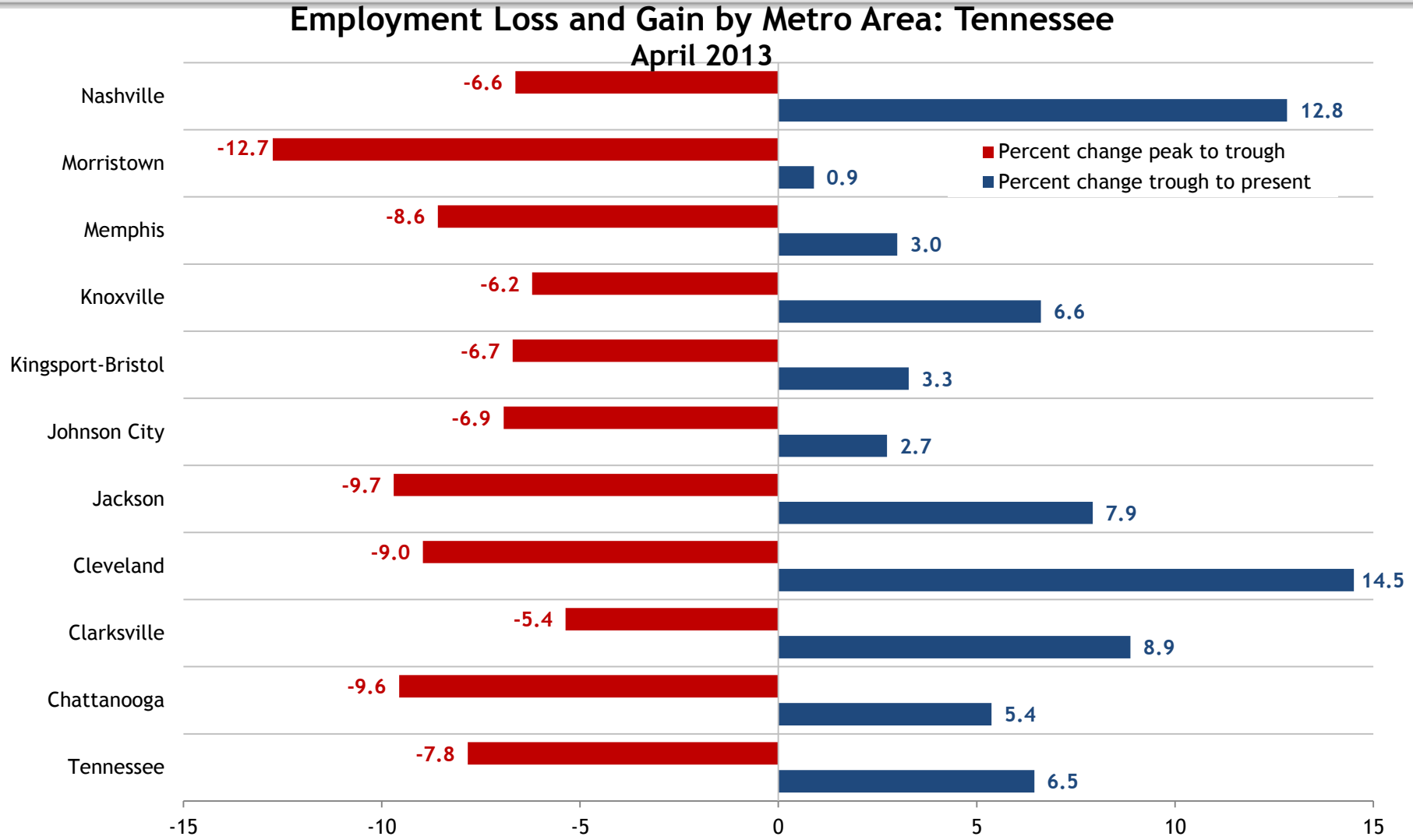
Employment for most industries was in the "expanding" category in April.

About Employment Momentum



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

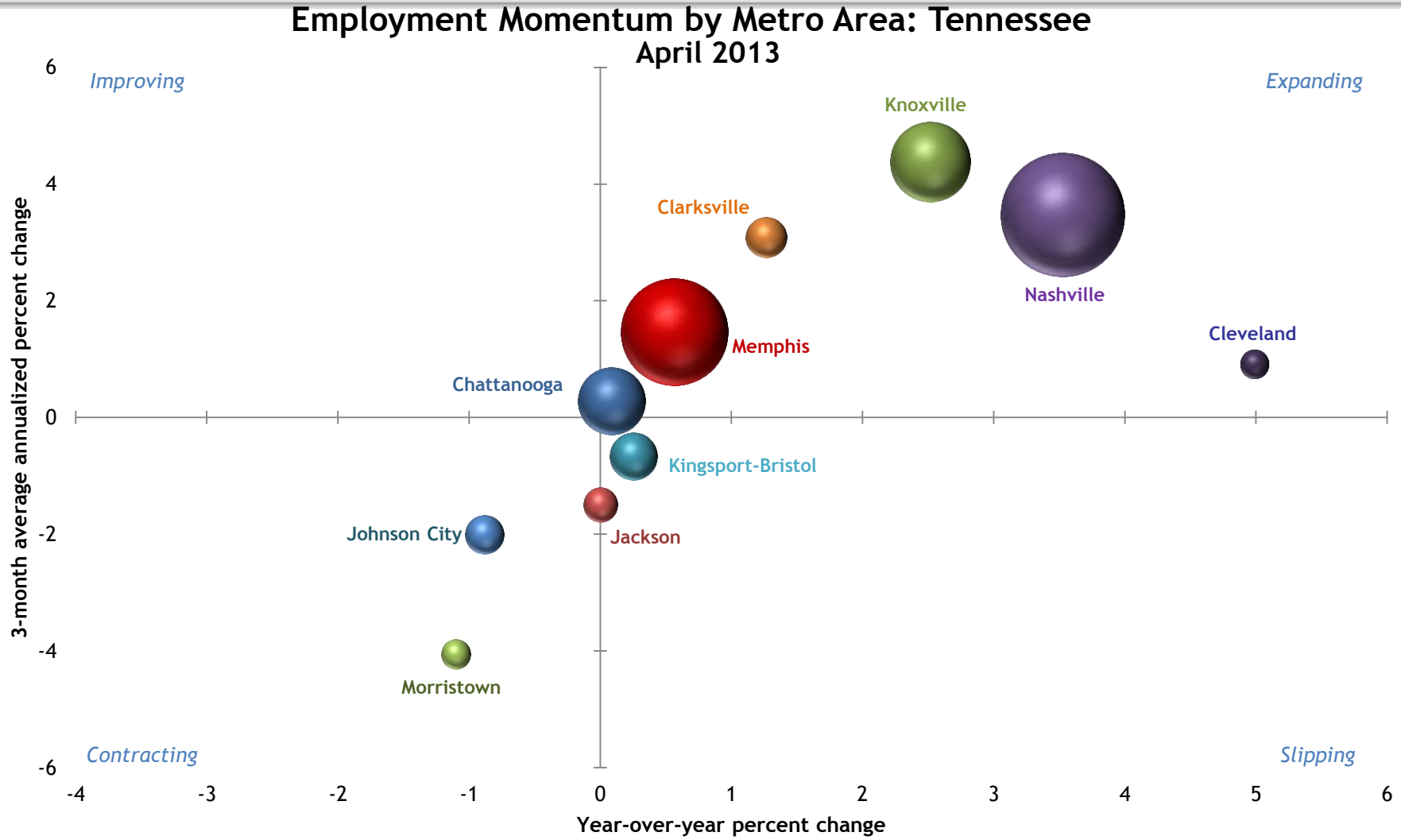
Employment losses in Tennessee metro areas were significant during the downturn. All major cities have regained some jobs. Nashville, Knoxville, Cleveland, and Clarksville have regained all jobs lost.



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Employment growth momentum in most major metropolitan areas expanded in April.

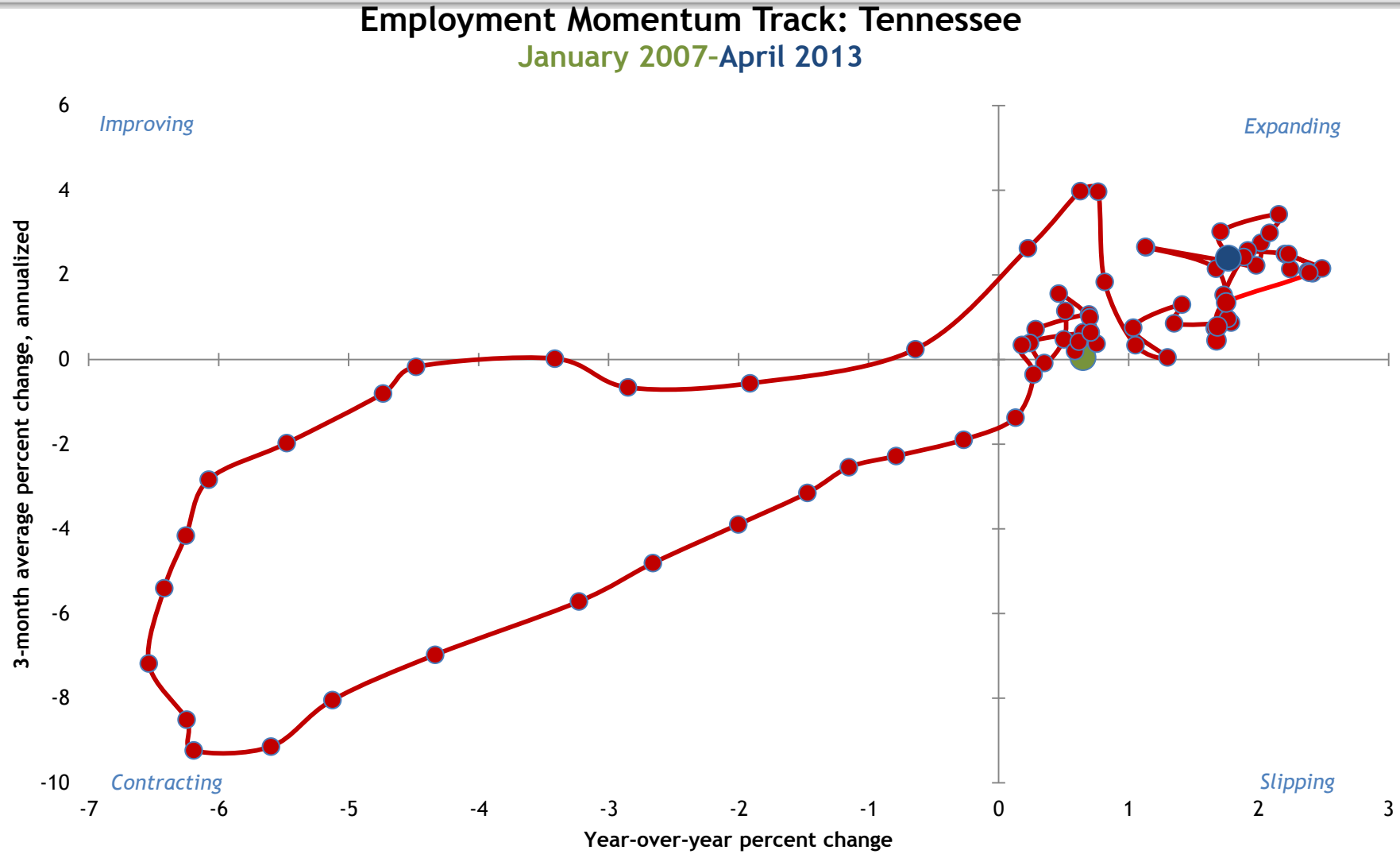
About Employment Momentum



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

Tennessee employment momentum has been expanding for several months.

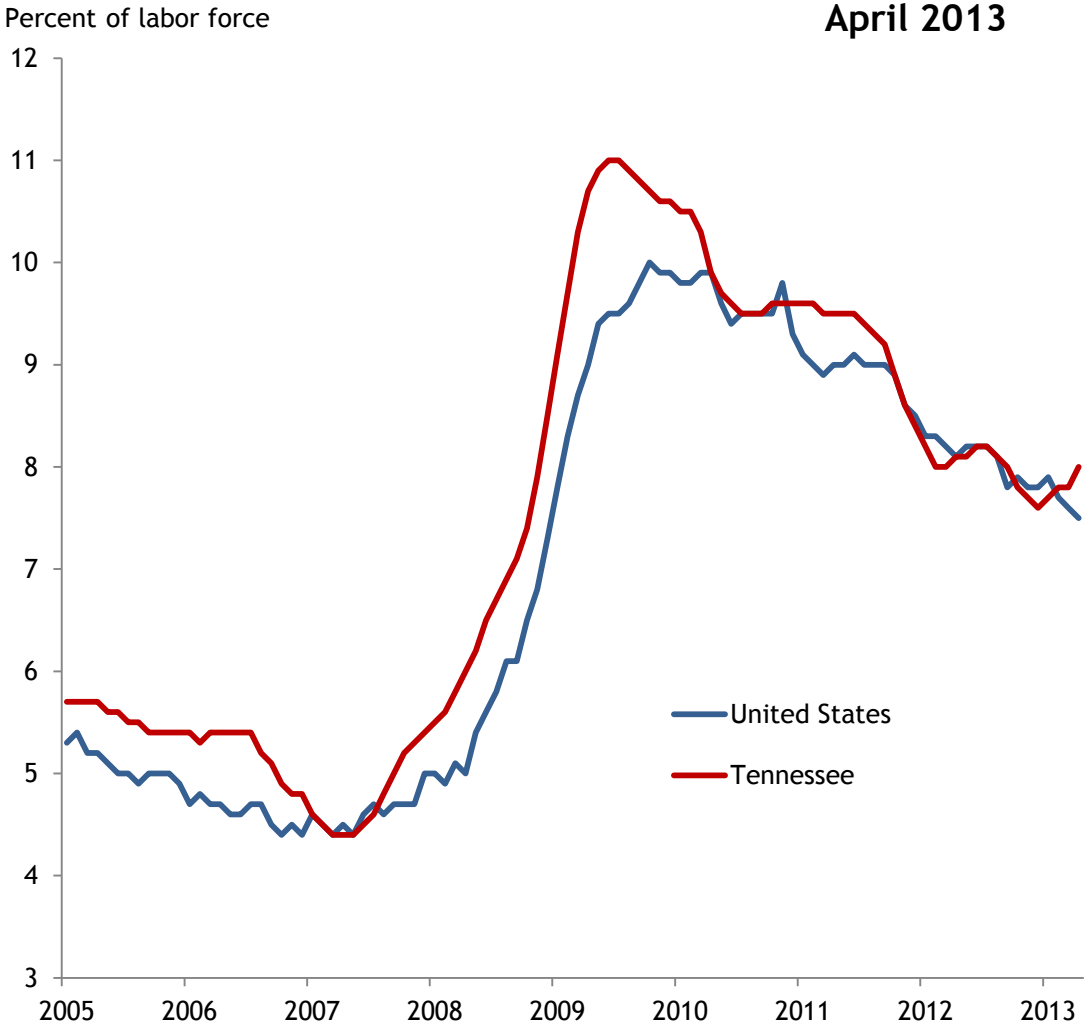
About Employment Momentum Track



Source: U.S. Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Atlanta

The unemployment rate for Tennessee has been inching up in 2013. The state's unemployment rate is above the national rate for the third consecutive month in April.

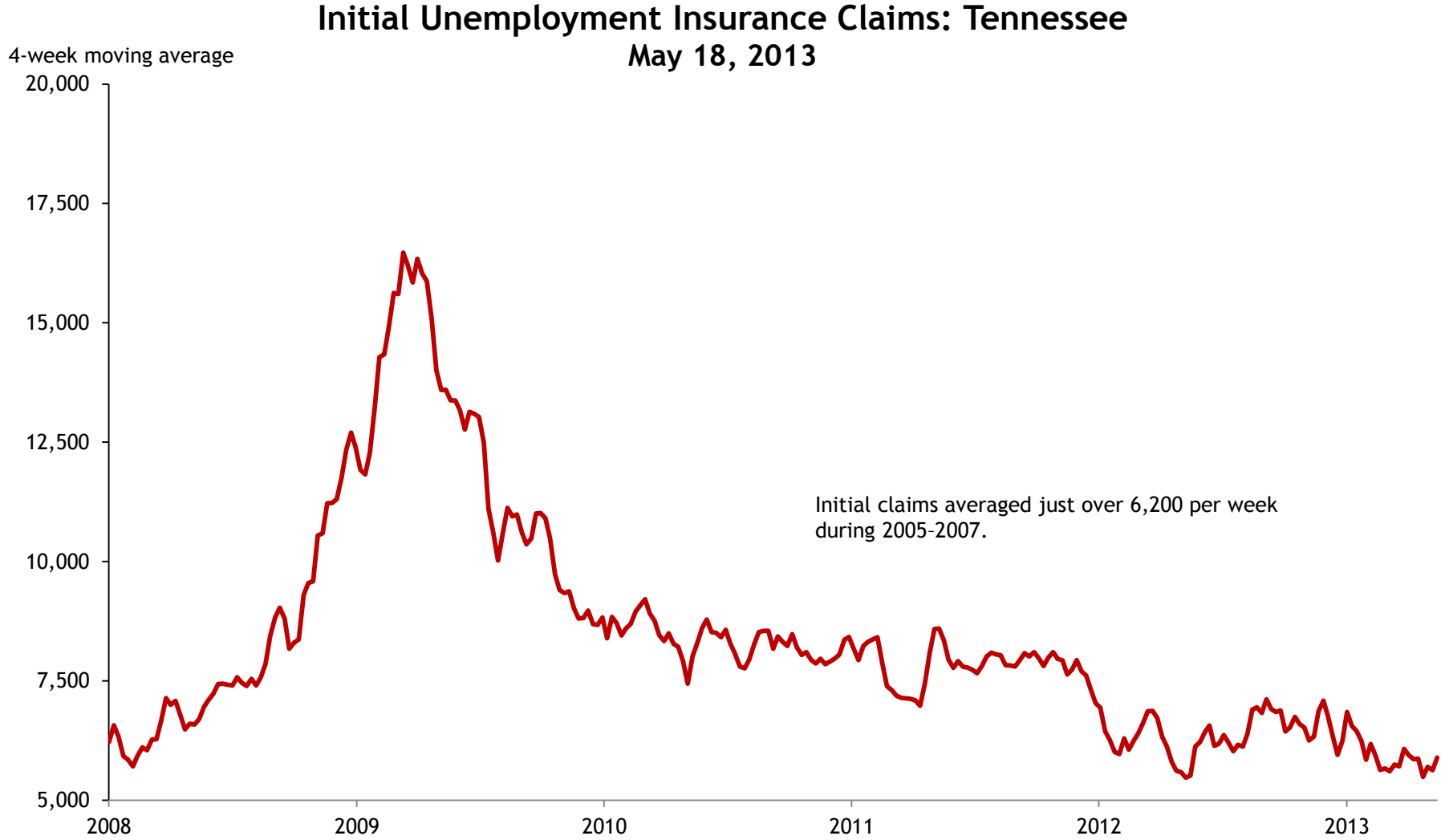
Unemployment Rates
April 2013



Source: U.S. Bureau of Labor Statistics, Haver Analytics

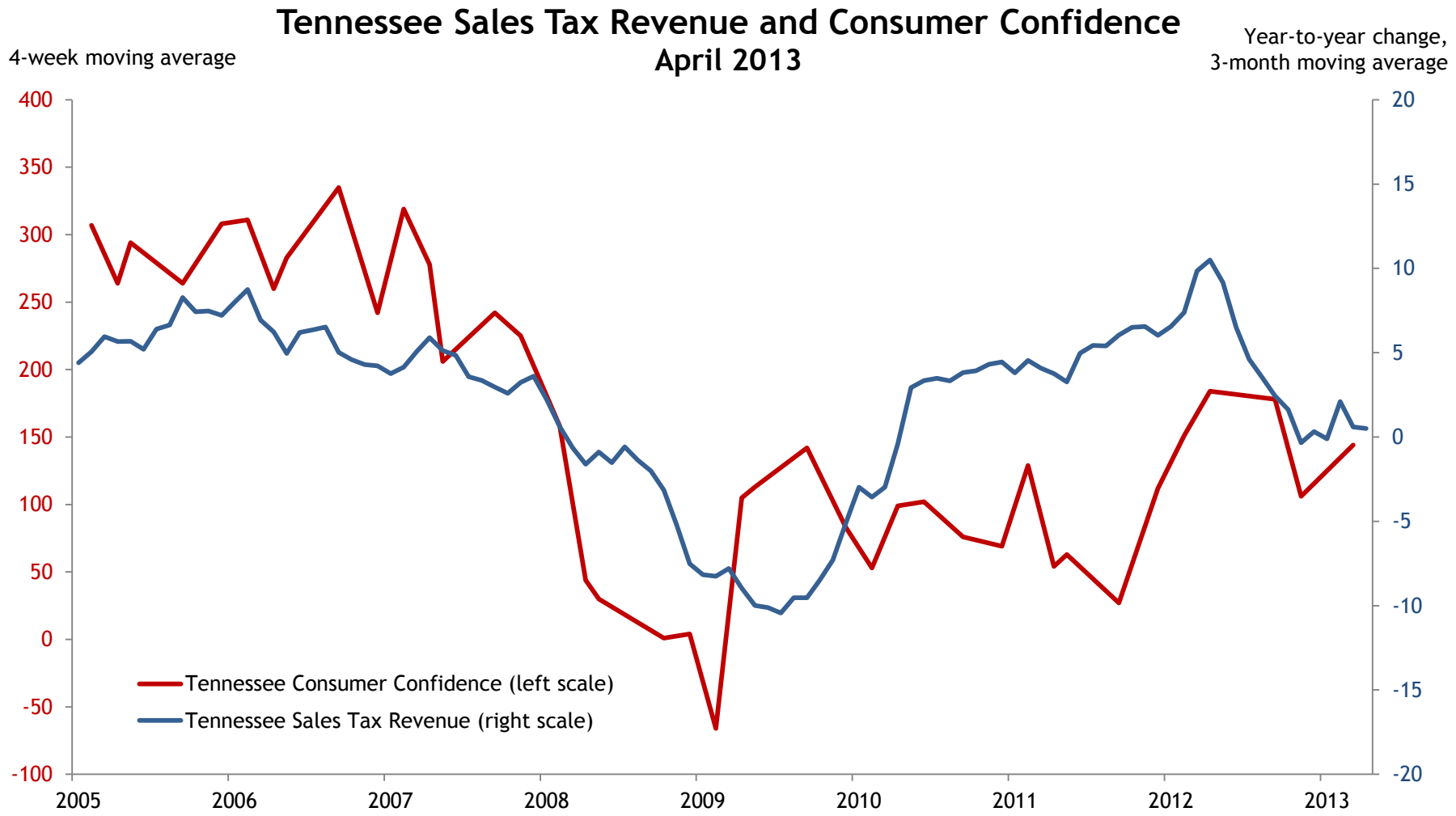
Unemployment Rates			
	Current	Year Ago	Jan 2007
United States	7.5	8.1	4.6
Tennessee	8.0	8.1	4.6
Chattanooga	7.4	7.1	4.4
Clarksville	8.4	8.1	5.7
Cleveland	7.5	7.5	4.9
Jackson	8.2	8.0	5.6
Johnson City	7.4	7.0	4.8
Kingsport-Bristol	7.1	7.1	4.8
Knoxville	6.7	6.4	4.1
Memphis	9.0	8.5	5.8
Morristown	9.7	9.1	6.1
Nashville	6.4	6.5	4.2

Initial unemployment insurance claims are now close to prerecession levels.



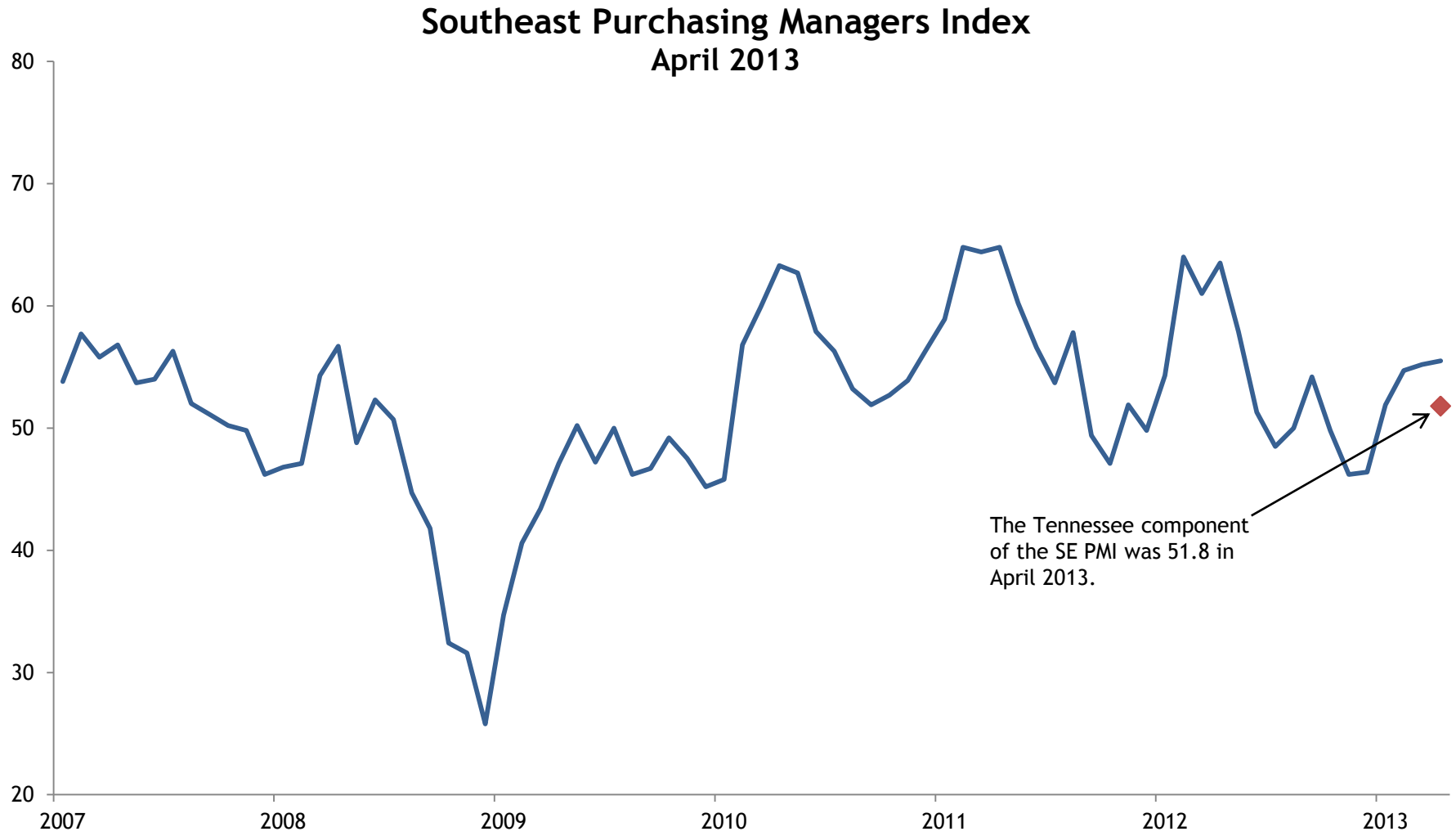
Source: U.S. Department of Labor—Employment and Training Administration, Haver Analytics

Growth of sales tax revenue in Tennessee has been virtually flat over the past few months. Consumer confidence was higher in Tennessee in March compared to last November.



Note: Sales tax data are through April 2013; Consumer Confidence Index as of March 2013.
Source: Middle Tennessee State University, Tennessee Department of Revenue

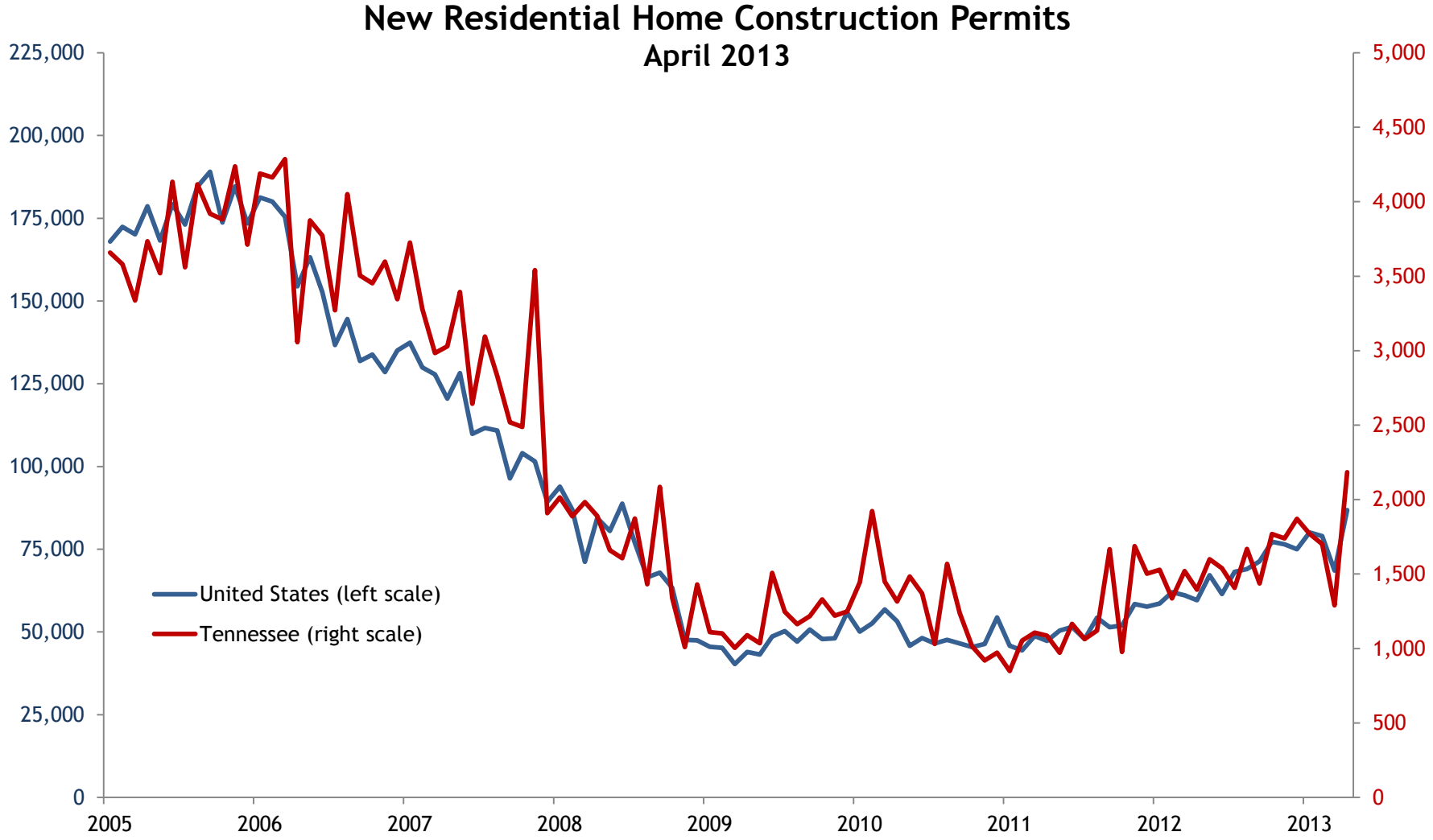
Regional manufacturing activity expanded for the fourth consecutive month, according to the Southeast Purchasing Managers Index produced by Kennesaw State University. In Tennessee, manufacturing activity continues to be strong.



Note: 50+ = Expansion

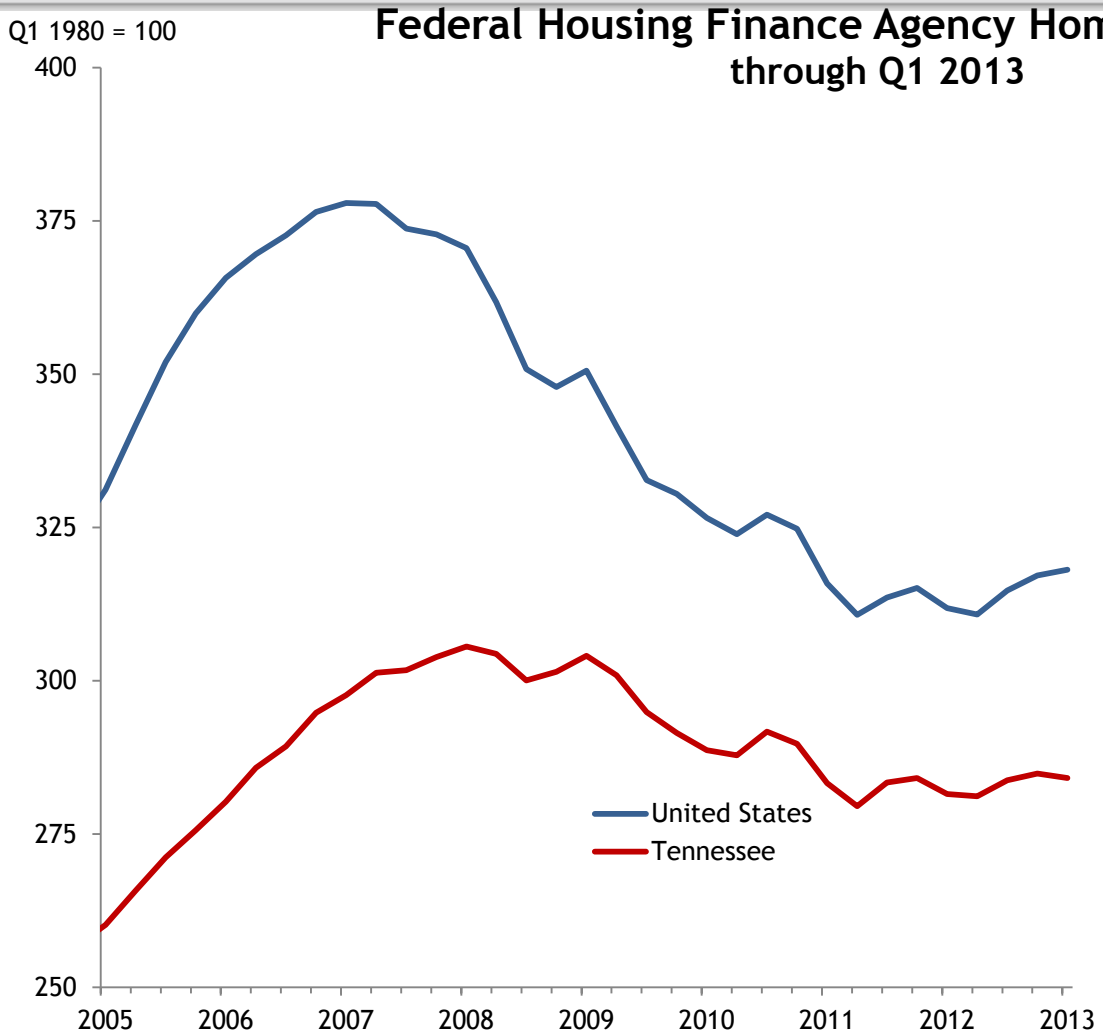
Source: Kennesaw State University, Coles College of Business Econometric Center

New home construction permits for the United States and Tennessee remain at historically low levels. However, permits saw a sharp increase in April after trending down for three consecutive months.



Source: U.S. Bureau of the Census, Haver Analytics

Over the past year, home prices in Tennessee rose at a slower pace than nationally.

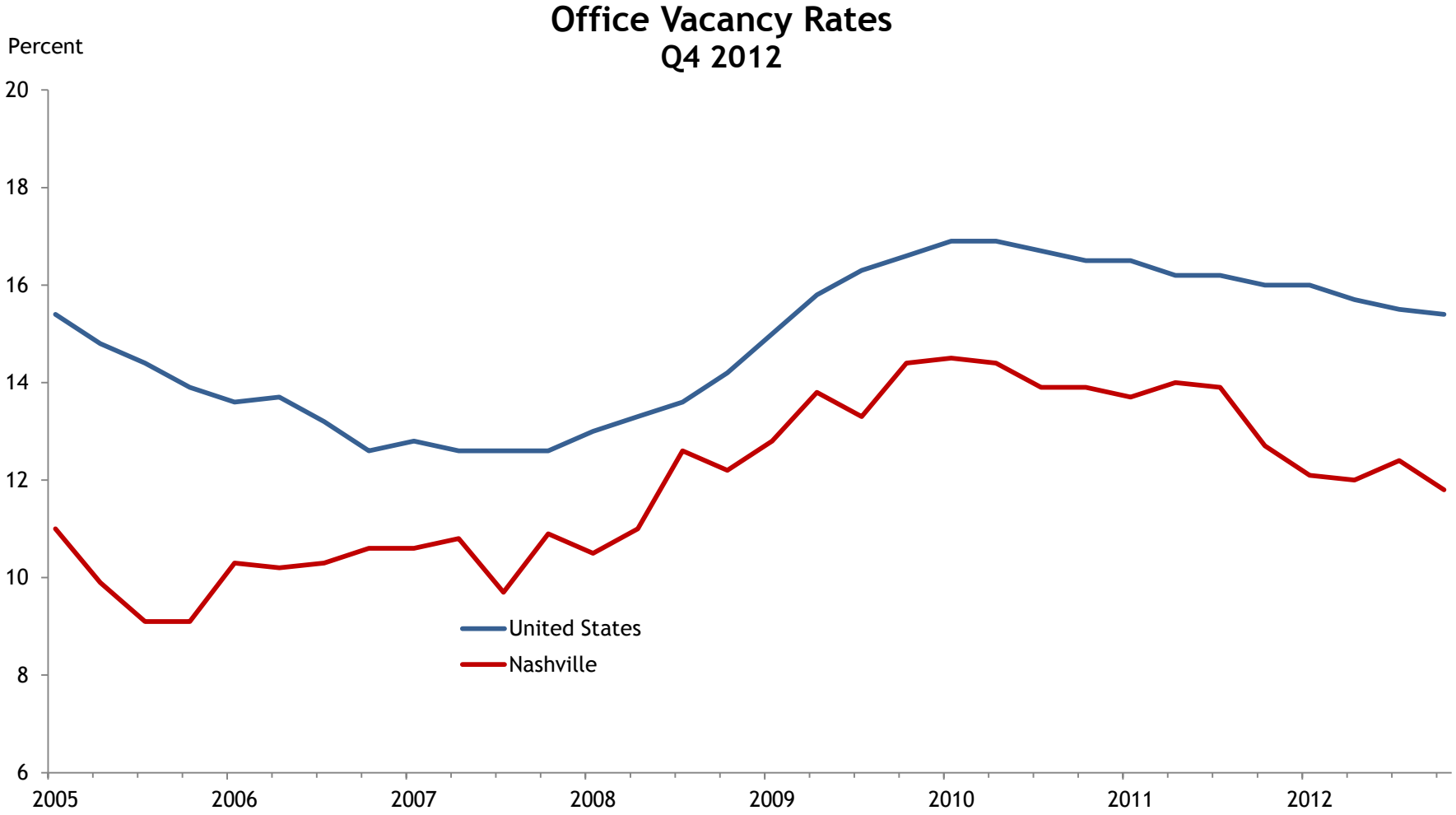


FHFA House Price Index: Q1 2013	1-yr % change	5-yr % change	10-yr % change
United States	2.0	-14.1	14.5
Tennessee	0.9	-7.0	18.9
Cleveland	0.8	-5.8	18.2
Jackson	3.3	-5.4	6.2
Johnson City	0.1	-2.7	27.1
Knoxville	0.6	-6.3	26.3
Morristown	-0.4	-11.2	18.1
Nashville	2.5	-5.8	24.5
Chattanooga	1.2	-5.1	19.8
Clarksville	-1.3	0.2	27.7
Kingsport-Bristol	2.2	-1.8	28.4
Memphis	-0.1	-13.1	0.3

Source: Federal Housing Finance Agency, Haver Analytics

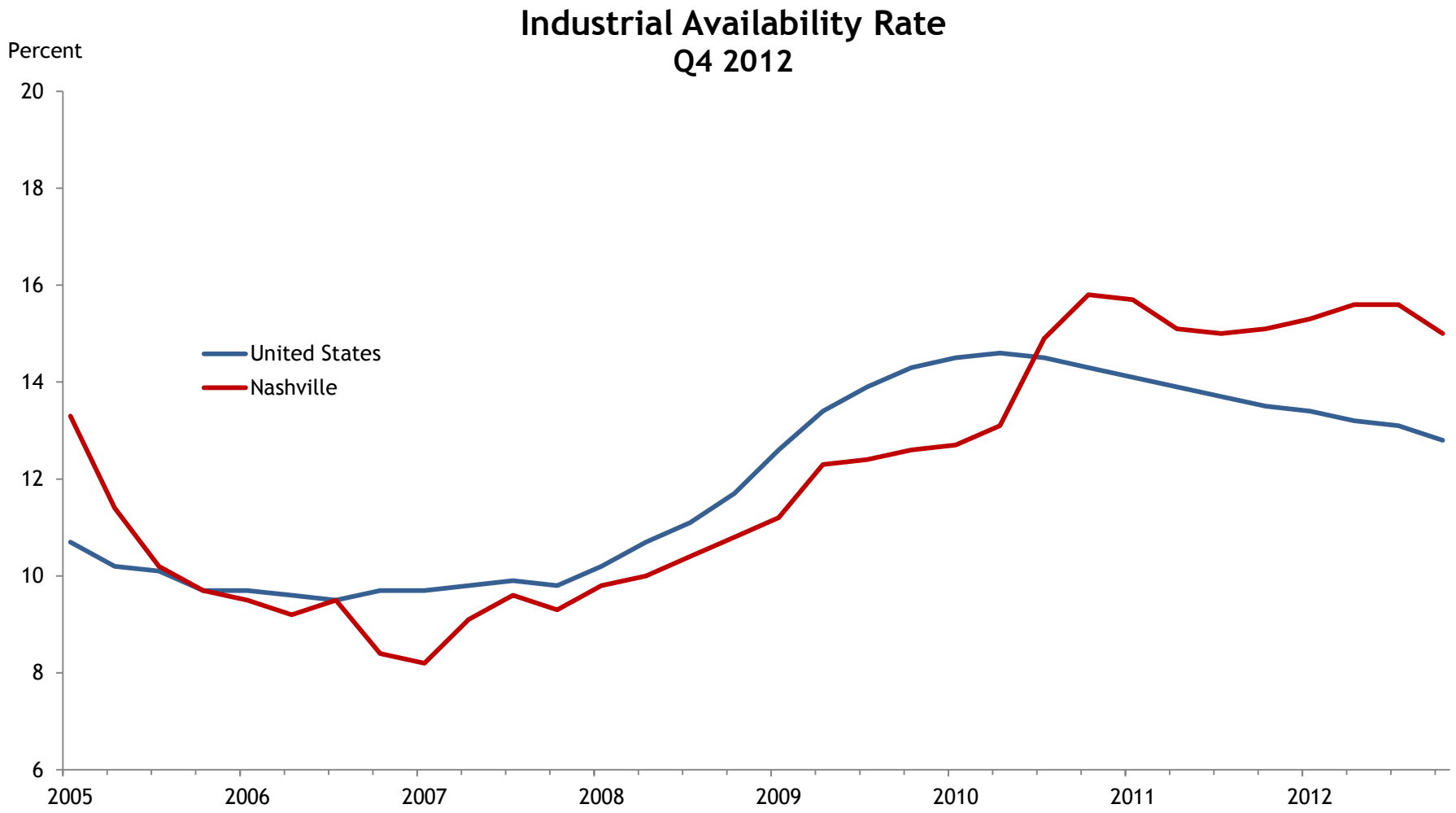
Source: Federal Housing Finance Agency, Haver Analytics, Federal Reserve Bank of Atlanta

The office vacancy rate is lower in Nashville than in the United States as a whole and has been declining at a faster pace.



Source: CB Richard Ellis, Haver Analytics

Industrial availability rates remain elevated throughout the United States. Nashville's rate has remained essentially unchanged above the national level for two years.



Source: CB Richard Ellis, Haver Analytics

For additional sources of information, see our Local Economic Analysis Research Network membership at www.frbatlanta.org/rein/learn/map/learn_members.cfm.